

LIMITATIONS OF THE FINANCIAL STATEMENTS

- The financial statements have been prepared to report the financial position and results of operations of the entity, pursuant to the requirements of 31 U.S.C. 3515(b).
- While the statements have been prepared from the books and records of the entity in accordance with the formats prescribed by OMB, the statements are in addition to the financial reports used to monitor and control budgetary resources which are prepared from the same books and records.
- The statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity. One implication of this is that liabilities cannot be liquidated without legislation that provides resources to do so.

U.S. Department of Transportation
Consolidated Balance Sheet
For the Period Ended September 30, 1998
(Dollars in Thousands)

	<u>1998 DOT Total</u>
Assets	
Entity:	
Intragovernmental:	
Fund Balance with Treasury (Note 2)	\$ 19,369,862
Investments (Note 3)	27,767,859
Accounts Receivable, Net (Note 4)	388,075
Interest Receivable (Net)	135,687
Other Assets (Note 5)	337,203
Total Intragovernmental Assets:	\$ 47,998,686
Investments (Note 3)	27
Accounts Receivable, Net (Note 4)	102,329
Interest Receivable (Net)	148
Loans Receivable and Related	
Foreclosed Property, Net (Note 6)	343,628
Cash and Other Monetary Assets (Note 7)	63,115
Inventory and Related Property, Net (Note 8)	2,190,619
General Property, Plant and Equipment, Net (Note 9)	13,821,827
Other Assets (Note 5)	204,197
Total Entity	\$ 64,724,576
Non-Entity:	
Intragovernmental:	
Fund Balance with Treasury (Note 2)	\$ 47
Investments (Note 3)	934,240
Interest Receivable (Net)	11,428
Total Intragovernmental Assets:	\$ 945,715
Accounts Receivable, Net (Note 4)	10,055
Total Non-Entity	\$ 955,770
Total Assets	\$ 65,680,346

The accompanying notes are an integral part of these statements.

U.S. Department of Transportation
Consolidated Balance Sheet
For the Period Ended September 30, 1998
(Dollars in Thousands)

Liabilities	<u>1998 DOT Total</u>
Liabilities Covered by	
Budgetary Resources:	
Intragovernmental:	
Accounts Payable	\$ 8,524,068
Interest Payable	11,586
Debt (Note 10)	317,159
Other Intragovernmental Liabilities (Note 11)	314,525
Total Intragovernmental Liabilities:	<u>9,167,338</u>
Accounts Payable	1,576,054
Liabilities for Loan Guarantees (Note 6)	135,619
Lease Liabilities (Note 12)	687
Other Liabilities (Note 11)	370,697
Total Liabilities Covered by	
Budgetary Resources	<u>\$ 11,250,395</u>
Liabilities Not Covered by	
Budgetary Resources:	
Intragovernmental:	
Debt (Note 10)	\$ 24
Environmental Cleanup Costs (Note 13)	59,762
Other Intragovernmental Liabilities (Note 11)	221,144
Total Intragovernmental Liabilities:	<u>\$ 280,930</u>
Lease Liabilities (Note 12)	103,532
Federal Employee and Veterans'	
Benefits (Note 14)	21,056,390
Environmental Cleanup Costs (Note 13)	3,277,178
Other Liabilities (Notes 11 & 15)	1,233,171
Total Liabilities Not Covered by	
Budgetary Resources	<u>\$ 25,951,201</u>
Total Liabilities	<u>\$ 37,201,596</u>

The accompanying notes are an integral part of these statements.

**U.S. Department of Transportation
Consolidated Balance Sheet
For the Period Ended September 30, 1998
(Dollars in Thousands)**

1998 DOT Total

Net Position (Note 16)

Unexpended Appropriations	\$ 9,353,380
Cumulative Results of Operations	19,125,370
Total Net Position	<u>28,478,750</u>
Total Liabilities and Net Position	\$ <u>65,680,346</u>

The accompanying notes are an integral part of these statements.

**U.S. Department of Transportation
Consolidated Statement of Net Cost
For the Period Ended September 30, 1998
(Dollars in Thousands)**

1998 DOT Total**Program Costs (Notes 17 & 18)****Surface Transportation:**

Intragovernmental	\$	57,944
Public		26,496,518
Total		26,554,462
Less Earned Revenues		(150,882)
Net Program Costs	\$	26,403,580

Air Transportation:

Intragovernmental	\$	504,322
Public		8,677,118
Total		9,181,440
Less Earned Revenues		(99,149)
Net Program Costs	\$	9,082,291

Maritime Transportation:

Intragovernmental	\$	957,451
Public		5,032,601
Total		5,990,052
Less Earned Revenues		(587,807)
Net Program Costs	\$	5,402,245

Cross-Cutting Programs

Intragovernmental	\$	54,483
Public		1,212
Total		55,695
Less Earned Revenues		(55,695)
Net Program Costs	\$	-

Cost Not Assigned to Programs

\$	191,587
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**Less Earned Revenues Not
Attributed to Programs**

(33,661)

Deferred Maintenance (Note 19)**Net Cost of Operations**

\$	41,046,042
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U.S. Department of Transportation
Consolidated Statement of Changes in Net Position
For the Period Ended September 30, 1998
(Dollars in Thousands)

	<u>1998 DOT Total</u>
Net Cost of Operations	\$ (41,046,042)
Financing Sources:	
Appropriations Used	10,076,703
Taxes and Other Non-Exchange Revenue (Note 20)	39,799,313
Donations	96,575
Imputed Financing	407,551
Transfers-In	157,006
Transfers-Out	(10,879,734)
Other	25,069
Net Results of Operations	\$ (1,363,559)
Prior Period Adjustments (Note 21)	(19,011,428)
Net Change in Cumulative Results of Operations	\$ (20,374,987)
Increase (Decrease) in Unexpended Appropriations	(1,909,063)
Change in Net Position	\$ (22,284,050)
Net Position, Beginning of Period	50,762,800
Net Position, End of Period	\$ 28,478,750

The accompanying notes are an integral part of these statements.

U.S. Department of Transportation
Consolidated Statement of Budgetary Resources
For the Period Ended September 30, 1998
(Dollars in Thousands)

1998 DOT Total

Budgetary Resources (Note 22):

Budget Authority (Line 1)	\$	51,175,157
Unobligated Balances - Beginning of Period and Net Transfers (Line 2)		47,614,843
Spending Authority From Offsetting Collections (Line 3)		5,429,585
Adjustments (Lines 4-6)		(20,948,250)
Total Budgetary Resources (Line 7)	\$	<u>83,271,335</u>

Status of Budgetary Resources:

Obligations Incurred (Line 8)	\$	46,122,245
Unobligated Balances - Available (Line 9)		7,894,857
Unobligated Balances - Not Available (Line 10)		29,254,233
Total, Status of Budgetary Resources (Line 11)	\$	<u>83,271,335</u>

Outlays:

Obligations Incurred (Line 8)	\$	46,122,245
Less: Spending Authority From Offsetting Collections and Adjustments (Lines 3A, B, D, & 4A)		(5,744,168)
Obligated Balance, Net - Beginning of Period (Line 12)		
Obligated Balance Transferred, Net (Line 13)		(43)
Less: Obligated Balance, Net - End of Period (Line 14)		48,564,275
Total Outlays (Line 15)	\$	<u><u>39,811,362</u></u>

The accompanying notes are an integral part of these statements.

**U.S. Department of Transportation
Consolidated Statement of Financing
For the Period Ended September 30, 1998
(Dollars in Thousands)**

1998 DOT Total

Obligations and Nonbudgetary
Resources:

Obligations Incurred	\$	46,125,050
Less: Spending Authority for		
Offsetting Collections & Adjustments		(5,751,986)
Donations Not in Budget		96,576
Financing Imputed for Cost		
Subsidies		407,550
Transfers-In (Out)		(10,721,370)
Exchange Revenue Not in Budget		4,509
Intra-Departmental Transfers		(1,700)
Inventory Revaluation		30,129
Other Miscellaneous Resources		33,266
Total Obligations as Adjusted, and Non-Budgetary Resources	\$	30,222,024

Resources That Do Not Fund
Net Cost of Operations:

Change in Amount of Goods, Services, & Benefits Ordered But Not Yet Received or Provided	\$	(512,282)
Costs Capitalized on the Balance Sheet		10,878,088
Financing Sources That Fund		
Costs of Prior Periods		(5,126,697)
Prior Period Adjustments		(11,928,471)
Intra-Departmental Transfers		10,668,827
Other Miscellaneous Resources		(986,819)

Total Resources That Do Not

Fund Cost of Operations	\$	2,992,646
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**U.S. Department of Transportation
Consolidated Statement of Financing
For the Period Ended September 30, 1998
(Dollars in Thousands)**

	<u>1998 DOT Total</u>
Cost That Do Not Require Resources:	
Depreciation & Amortization	\$ 481,537
Revaluation of Assets and Liabilities	(470,596)
Loss on Disposition of Assets (FAA)	511,737
Inventory Free Issues (USCG)	196,396
Other Miscellaneous Costs	210,032
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Total Costs That Do Not Require Resources	\$ 929,106
Financing Sources Yet To Be Provided (Note 23)	\$ 6,902,266
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Net Cost of Operations	\$ 41,046,042
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